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Neidle, Bruce L.

From: Neidle, Bruce L.
Sent: Wednesday, November 11, 1998 1:31
To: Anise, Roy K.
Cc: Saloun, Tom
Subject: RE: Non Plan Pricing

Roy,

On a year-to-date basis net retail prices have increased +11.1%. Applying a -0.4 elasticity suggests an expected volume decline of -4.4%. We currently estimate that year-to-date industry volume has declined -3.6% (adjusting for changes in NWI and promotions). Comparing the -3.6% change in volume to the 11.1% change in price implies an elasticity of -0.33. Please note, the current change in volume estimate may not fully reflect the influence of prior pricing actions including the August \$3.00/M.



Elasticity Summary